The Politics of Economic Inequality

Graduate Seminar Political Science 7201-001 University of Memphis Spring 2023

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Class Time: Mondays 5:30-8:30pm Office Hours: Wednesdays 12pm-2pm

What is this course about?

This course provides an overview of the politics of economic inequality. Economic differences are ubiquitous in human societies. They occur between individuals and groups, are caused by private actions as well as government policies, and have wide-ranging consequences for social and economic life. In this course, we will focus on a subset of the many political issues surrounding economic inequality: we will have a regional focus on the United States and Western Europe, and a substantive focus on public opinion toward inequality and redistribution.

Some of the questions we will ask are: What are recent trends in economic inequality? How do citizens evaluate inequality, and what does it mean for inequality to be seen as fair or unfair? How does economic self-interest affect support for government redistribution? What role do stereotypes of the poor and the rich play in the politics of redistribution? What role do variables like risk, precarity, and mobility play in the politics of redistribution?

In addition to the substantive content of the course, you will learn to identify outstanding research questions based on the literature you read and to develop projects that delve into those questions. Each week, part of our discussion time will be dedicated to identifying outstanding research questions that are raised by the scholarly works that we read. We will also pay attention to the methods that scholars use to answer their research questions.

The main written assignment in this course will be a final essay of about 20 double-spaced pages. You are required to present a clear argument and a literature review. Optionally, you may write this essay as a research design intended to add an empirical contribution to the research question you are addressing. By the end of the course, you will 1) be able to engage critically with research on economic inequality, and 2) will have experience developing your own research questions and identifying appropriate methods for answering those questions.

Class format and reading guidance

This is a discussion-based class. Each week, a student will be assigned to lead the discussion. Each week, all students are expected to carefully read *and think about* the material before coming to class.

As you read each assigned piece of scholarship, it is useful to consider the following questions: What is the research question this piece sets out to answer? What is the theoretical foundation of the authors' argument? What methods do they use to answer their research questions? What do they conclude?

As you then think about the pieces jointly, ask questions such as: How do these pieces speak to each other? How do they speak to readings from previous weeks? Are any of the findings in conflict with one another, and if so why? What are the normative implications of these studies? What outstanding research questions do these pieces jointly raise?

Required materials

All readings will be available through the course website.

Attendance

Given the centrality of discussion in this class, attendance is both important and expected. Sometimes life happens and it is necessary to miss class. I understand this; you do not need to ask for my permission to miss class or explain your absence.

At the same time, missed classes mean that you have less exposure to the required materials and cannot participate in discussion. For these reasons, please know that if you miss more than two classes, your participation grade will be affected. In practical terms, this means that your two lowest participation grades will automatically be dropped from counting toward your participation grade.

If you experience a serious life event that will affect more than one week of attendance, please let me know that something has happened; we can then discuss how to best manage the situation.

Graded course components and assignments

• Weekly participation (25%)

You will be expected to have done the readings and thought about them ahead of time. Use the reading guidance provided above to prepare for class discussion. Asking questions about the readings, including clarifying questions, counts as participation. This grade component includes attendance, being engaged and present during class, and participating in constructive and respectful ways in the discussion. Your two lowest weekly participation grades will be dropped automatically (i.e. will not count toward your grade).

• Discussion leadership (25%)

Each week a student will be assigned to lead discussion. The discussion leader should read the materials ahead of time and prepare discussion questions for the class. The leader should see me in office hours the week before class to share their intended discussion questions. I may suggest additions and changes to your questions at that time. The discussion leaders should then share the questions with the class, so others may prepare for the discussion. If you cannot make my office hours during the week of your discussion leadership, please email me at least two days in advance to schedule an alternative time to meet.

• Essay topic flash presentation (15%)

On **March 13th**, we will dedicate the class period to flash presentations of your proposed essay topics. You should prepare a 5 minute presentation of your proposed essay topic. You choose your own topic; it should be inspired by the material we cover in the course.

The presentation should include: a research question, a hypothesis, and a preliminary argument. You should reference at least four studies, two of which should be drawn from class materials and two of which should emerge from your own literature review. The rest of the class will give feedback on the proposal's clarity, discuss the proposed argument, suggest additional readings, and ask questions to help you clarify your hypotheses and contribution.

• Final essay (35%)

A 15-20 page (double-spaced, standard margins, 12-pt Times New Roman font) final essay is due **by 11:59pm on April 24th**. Please submit your essay as a Microsoft Word document (no pdf's please) on the course website.

Grading scale

Your course grade will be determined as follows:

Weekly participation: 25% Discussion leadership: 25% Flash presentation: 15% Final essay: 35%

Written assignments will drop one-third of a grade for each day they are late. No assignments will be accepted more than one week after the due date.

Letter grades will be assigned based on the following scale (%):

100-97: A+ 96-93: A 92-90: A-89-87: B+ 86-83: B 82-80: B-79-77: C+ 76-73: C 72-70: C-69-67: D+ 66-63: D 62-60: D-59-0: F

Disability statement

The federal Americans with Disabilities Act (ADA) mandates that all students with disabilities be guaranteed reasonable accommodation of their disabilities in the classroom, and I will gladly support all documented accommodation needs. Contact Disability Services in Wilder Tower for more information.

Plagiarism and academic honesty

Plagiarism and other forms of cheating are taken very seriously and will not be tolerated. At a minimum, plagiarism results in an automatic zero on the assignment in question. Note that plagiarism is not just about using the work of others without attribution, but also includes resubmitting or reusing your own old work from prior courses or assignments.

Communication and course website

I hold virtual office hours <u>on zoom</u> on Wednesdays, 12pm-2pm CT. Please sign up for office hours by 12pm on the same day by using this link: <u>https://calendly.com/kstrump/office-hours</u>

If this time does not work, I am always happy to meet by appointment. You can reach me via email; I generally aim to respond within 24 hours during the workweek.

I will periodically send communications to the class via e-mail, so please check your @memphis.edu account regularly. You can also reach me through the class website, where course materials will also be hosted: <u>https://memphis.instructure.com/courses/69730</u>

Course schedule

Note that all readings will be available on the course website.

Week 1, January 23rd Trends in economic inequality

How is economic inequality measured? By these measures, what has been happening to inequality in the United States in recent decades? How does this compare to other advanced industrialized countries? How have government policies affected these trends?

Saez, Emmanuel. "Income and Wealth Inequality: Evidence and Policy Implications." *Contemporary Economic Policy* 35, no. 1 (2017): 7–25. <u>https://doi.org/10.1111/coep.12210</u>.

Hope, David, and Angelo Martelli. "The Transition to the Knowledge Economy, Labor Market Institutions, and Income Inequality in Advanced Democracies." *World Politics* 71, no. 2 (April 2019): 236–88. <u>https://doi.org/10.1017/S0043887118000333</u>.

Pfeffer, Fabian T., and Nora Waitkus. "The Wealth Inequality of Nations." *American Sociological Review* 86, no. 4 (August 1, 2021): 567–602. https://doi.org/10.1177/00031224211027800.

Snipp, C. Matthew, and Sin Yi Cheung. "Changes in Racial and Gender Inequality since 1970." *The ANNALS of the American Academy of Political and Social Science* 663, no. 1 (January 1, 2016): 80–98. <u>https://doi.org/10.1177/0002716215596959</u>.

Week 2, January 30th Evaluating inequality

How do we evaluate inequality? What factors (should) influence whether inequality is seen as good or bad? How do citizens judge whether there is "too much" or "too little" inequality?

Freeman, Richard B. "(Some) Inequality Is Good for You." In *The New Gilded Age: The Critical Inequality Debates of Our Time*, edited by David B. Grusky and Tamar Kricheli-Katz, 63–87. Stanford: Stanford University Press, 2012.

Deutsch, Morton. "Equity, Equality, and Need: What Determines Which Value Will Be Used as the Basis of Distributive Justice?" *Journal of Social Issues* 31, no. 3 (1975): 137–49. https://doi.org/10.1111/j.1540-4560.1975.tb01000.x.

Starmans, Christina, Mark Sheskin, and Paul Bloom. "Why People Prefer Unequal Societies." *Nature Publishing Group* 1, no. April (2017): 1–7. <u>https://doi.org/10.1038/s41562-017-0082</u>.

Trump, Kris Stella. "When and Why Is Economic Inequality Seen as Fair." *Current Opinion in Behavioral Sciences* 34 (August 1, 2020): 46–51. <u>https://doi.org/10.1016/j.cobeha.2019.12.001</u>.

Week 3, February 6th The role of economic self-interest

We explore the most important model of support for redistribution: the expectation that economic self-interest influences citizens' attitudes toward redistribution. How well does this model perform empirically? What are its strengths and weaknesses?

Meltzer, Allan H, and Scott F Richard. "A Rational Theory of the Size of Government." *Journal of Political Economy* 89, no. 5 (1981): 914–27.

Andersen, Robert, and Josh Curtis. "Social Class, Economic Inequality, and the Convergence of Policy Preferences: Evidence from 24 Modern Democracies." *Canadian Review of Sociology/Revue Canadienne de Sociologie* 52, no. 3 (2015): 266–88. https://doi.org/10.1111/cars.12077.

Luttig, Matthew. "The Structure of Inequality and Americans' Attitudes Toward Redistribution." *Public Opinion Quarterly* 77, no. 3 (September 12, 2013): 811–21. https://doi.org/10.1093/poq/nft025.

Cavaille, Charlotte, and Kris-Stella Trump. "The Two Facets of Social Policy Preferences." *The Journal of Politics* 77, no. 1 (2015): 146–60.

Week 4, February 13th Attitudes toward the poor

How do perceptions of the poor influence public support for the welfare state? How and why do these stereotypes vary across countries? How does racial and ethnic heterogeneity affect this dynamic?

Alesina, Alberto F, and Edward Glaeser. *Fighting Poverty in the U.S. and Europe: A World of Difference*. Oxford: Oxford University Press, 2004. Ch. 6, 7. <u>Click here for UofM e-book access</u>.

Brown-Iannuzzi, Jazmin L., Ron Dotsch, Erin Cooley, and B. Keith Payne. "The Relationship Between Mental Representations of Welfare Recipients and Attitudes Toward Welfare." Psychological Science 28, no. 1 (January 1, 2017): 92–103. https://doi.org/10.1177/0956797616674999.

Aarøe, Lene, and Michael Bang Petersen. "Crowding Out Culture: Scandinavians and Americans Agree on Social Welfare in the Face of Deservingness Cues." *The Journal of Politics* 76, no. 3 (July 1, 2014): 684–97. <u>https://doi.org/10.1017/S002238161400019X</u>.

Rueda, David, and Daniel Stegmueller. "The Externalities of Inequality: Fear of Crime and Preferences for Redistribution in Western Europe." *American Journal of Political Science* 60, no. 2 (2016): 472–89. <u>https://doi.org/10.1111/ajps.12212</u>.

Week 5, February 20th Attitudes toward the rich

How do perceptions of the rich affect public support for progressive taxation? Which perceptions of the rich are most important and why? How do these associations vary across countries and why?

Piston, Spencer. *Class Attitudes in America: Sympathy for the Poor, Resentment of the Rich, and Political Implications.* New York, NY: Cambridge University Press, 2018. Chapters 3, 4.

Hansen, Kristina Jessen. "Greed, Envy, and Admiration: The Distinct Nature of Public Opinion about Redistribution from the Rich." *American Political Science Review*, July 6, 2022, 1–18. https://doi.org/10.1017/S0003055422000582.

Almås, Ingvild, Alexander W. Cappelen, Erik Ø. Sørensen, and Bertil Tungodden. "Global Evidence on the Selfish Rich Inequality Hypothesis." *Proceedings of the National Academy of Sciences* 119, no. 3 (January 18, 2022): e2109690119. <u>https://doi.org/10.1073/pnas.2109690119</u>.

Sands, Melissa, and Daniel de Kadt. "Local Exposure to Inequality Raises Support of People of Low Wealth for Taxing the Wealthy." *Nature*, September 23, 2020, 1–5. <u>https://doi.org/10.1038/s41586-020-2763-1</u>.

Week 6, February 27th Perceiving inequality

So far we have assumed that people are aware of the extent of inequality. But are they? How can we measure people's perceptions of inequality? Can a lack of public response to growing inequality be attributed to ignorance of these trends? What happens when we try to inform people about the extent of inequality?

Gimpelson, Vladimir, and Daniel Treisman. "Misperceiving Inequality." *Economics & Politics* 30, no. 1 (2018): 27–54. <u>https://doi.org/10.1111/ecpo.12103</u>.

Kraus, Michael W., Julian M. Rucker, and Jennifer A. Richeson. "Americans Misperceive Racial Economic Equality." *Proceedings of the National Academy of Sciences* 114, no. 39 (2017): 201707719. <u>https://doi.org/10.1073/pnas.1707719114</u>.

Ciani, Emanuele, Louis Freget, and Thomas Manfredi. "Learning about Inequality and Demand for Redistribution: A Meta-Analysis of in-Survey Informational Experiments." OECD Papers on Well-being and Inequalities. Vol. 02. OECD Papers on Well-Being and Inequalities, November 18, 2021. <u>https://doi.org/10.1787/8876ec48-en</u>.

Newman, Benjamin J. "Inequality Growth and Economic Policy Liberalism: An Updated Test of a Classic Theory." *The Journal of Politics* 82, no. 2 (April 2020): 765–70. <u>https://doi.org/10.1086/706598</u>.

Week 7, March 6th SPRING BREAK Week 8, March 13th Flash presentations

Week 9, March 20th Precarity and Risk

Income and wealth are not the only variables that affect how economically vulnerable one is. We look at the interaction of income and wealth inequality with factors like risk or the availability of credit. How do these factors shape support for the welfare state? How do they interact with race?

Thelen, Kathleen. "The American Precariat: U.S. Capitalism in Comparative Perspective." *Perspectives on Politics* 17, no. 1 (March 2019): 5–27. https://doi.org/10.1017/S1537592718003419.

Rehm, Philipp, Jacob S. Hacker, and Mark Schlesinger. "Insecure Alliances: Risk, Inequality, and Support for the Welfare State." *American Political Science Review* 106, no. 2 (May 22, 2012): 1–21. <u>https://doi.org/10.1017/S0003055412000147</u>.

Wiedemann, Andreas. "How Credit Markets Substitute for Welfare States and Influence Social Policy Preferences: Evidence from US States." *British Journal of Political Science* 52, no. 2 (April 2022): 829–49. https://doi.org/10.1017/S0007123420000708.

Reardon, Sean F., Lindsay Fox, and Joseph Townsend. "Neighborhood Income Composition by Household Race and Income, 1990–2009." *The ANNALS of the American Academy of Political and Social Science* 660, no. 1 (July 1, 2015): 78–97. https://doi.org/10.1177/0002716215576104.

Week 10, March 27th Economic Mobility

What is the relationship between economic mobility and support for redistribution? What about the expectation of economic mobility? Why and how does mobility legitimize inequality? Where do mobility perceptions come from?

Shariff, Azim F, Dylan Wiwad, and Lara B Aknin. "Income Mobility Breeds Tolerance for Income Inequality: Cross-National and Experimental Evidence." *Perspectives on Psychological Science* 11, no. 3 (May 2016): 373–80. <u>https://doi.org/10.1177/1745691616635596</u>.

Heiserman, Nicholas, Brent Simpson, and Robb Willer. "Judgments of Economic Fairness Are Based More on Perceived Economic Mobility Than Perceived Inequality." *Socius* 6 (January 1, 2020): 2378023120959547. <u>https://doi.org/10.1177/2378023120959547</u>.

McCall, Leslie, Derek Burk, Marie Laperrière, and Jennifer A. Richeson. "Exposure to Rising Inequality Shapes Americans' Opportunity Beliefs and Policy Support." *Proceedings of the*

National Academy of Sciences 114, no. 36 (September 5, 2017): 9593–98. https://doi.org/10.1073/pnas.1706253114.

Kim, Eunji. "Entertaining Beliefs in Economic Mobility." *American Journal of Political Science* (2022). <u>https://doi.org/10.1111/ajps.12702</u>.

Week 11, April 3rd The role of the state

Redistribution occurs through the state. How does the capacity of a state to levy taxes and implement policies affect support for redistribution? Does trust in government matter? And do people see it as legitimate for the state to treat some people differently than others?

Kasara, Kimuli, and Pavithra Suryanarayan. "When Do the Rich Vote Less Than the Poor and Why? Explaining Turnout Inequality across the World." *American Journal of Political Science* 59, no. 3 (2015): 613–27. <u>https://doi.org/10.1111/ajps.12134</u>.

Peyton, Kyle. "Does Trust in Government Increase Support for Redistribution? Evidence from Randomized Survey Experiments." *American Political Science Review* 114, no. 2 (2020): 596–602. <u>https://doi.org/10.1017/S0003055420000076</u>.

Scheve, Kenneth, and David Stasavage. "Equal Treatment and the Inelasticity of Tax Policy to Rising Inequality," April 2019.

Alvarado, Mariana. "Compensatory Theory Drives Perceptions of Fairness in Taxation: Cross-Country Experimental Evidence," Working Paper, 2021, 62.

Week 12, April 10th The attitudes of the rich

How do the likely targets of progressive taxation policies view inequality? How do they perceive their own position in society, and what influences their political beliefs? What tools do the rich have at their disposal to affect government policy?

Page, Benjamin I., Larry M. Bartels, and Jason Seawright. "Democracy and the Policy Preferences of Wealthy Americans." *Perspectives on Politics* 11, no. 01 (March 19, 2013): 51–73. <u>https://doi.org/10.1017/S153759271200360X</u>.

Suhay, Elizabeth, Marko Klasnja, and Gonzalo Rivero. "Ideology of Affluence: Rich Americans' Explanations for Inequality and Attitudes toward Redistribution." *The Journal of Politics*, May 7, 2020. <u>https://doi.org/10.1086/709672</u>.

Thal, Adam. "The Desire for Social Status and Economic Conservatism among Affluent Americans." *American Political Science Review* 114, no. 2 (2020): 426–42. https://doi.org/10.1017/S0003055419000893.

Gilens, Martin, and Adam Thal. "Doing Well and Doing Good? How Concern for Others Shapes Policy Preferences and Partisanship among Affluent Americans." *Public Opinion Quarterly* 82, no. 2 (June 26, 2018): 209–30. <u>https://doi.org/10.1093/poq/nfy020</u>.

Week 13, April 17th Conclusion: looking to the future

Looking ahead, how do we expect the politics of inequality to unfold? How do social phenomena like big data, social and geographic segregation, and the rise of the radical right interact with economic inequality?

Elkjær, Mads Andreas, and Torben Iversen. "The Democratic State and Redistribution: Whose Interests Are Served?" *American Political Science Review*, September 6, 2022, 1–16. https://doi.org/10.1017/S0003055422000867.

Rehm, Philipp. "The Future of Welfare State Politics." *Political Science Research and Methods* 8, no. 2 (April 2020): 386–90. <u>https://doi.org/10.1017/psrm.2018.33</u>.

Condon, Meghan R., and Amber Wichowsky. "Inequality in the Social Mind: Social Comparison and Support for Redistribution." *The Journal of Politics* 82, no. 1 (2020): 149–61. https://doi.org/10.1086/705686

Engler, Sarah, and David Weisstanner. "The Threat of Social Decline: Income Inequality and Radical Right Support." *Journal of European Public Policy* (March 3, 2020). https://doi.org/10.1080/13501763.2020.1733636.

Week 14, April 24th Final projects due. No class.